

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 238 - HB 282

March 10, 2017

SUMMARY OF BILL: Limits the State Board of Equalization (SBOE) and Assessment Appeals Commission's (AAC) review hearings for property tax appeals to the record before the hearing examiner except for in cases involving alleged irregularities in procedures that are not reflected in the record. Authorizes the SBOE or ACC to affirm the hearing examiner decision, remand the case for further proceedings, or reverse or modify the decision in certain situations.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Pursuant to Tenn. Code Ann. §67-5-1505, the SBOE is authorized to appoint individuals to serve in the capacity of hearing examiners to conduct preliminary hearings and make investigations regarding complaints and appeals from assessments and classifications. Hearing examiners prepare proposed findings of fact and conclusions for the SBOE or AAC.
- Under current law, pursuant to Tenn. Code Ann. § 67-5-1506(b), an exception to the recommendation of the hearing examiner may be taken by the property owner or his or her agent, the county assessor of property or taxing jurisdiction, or if the SBOE or AAC do not adopt the recommendation of the hearing examiner. A hearing is required to be scheduled and the evidence considered at the hearing is not limited to the record of the hearing officer.
- This legislation would require the SBOE or AAC to confine the record at the review hearing to the information presented before the hearing examiner unless an alleged irregularity in procedure occurred that was not presented to the hearing examiner.
- The situations under which a SBOE or ACC may reverse or modify the decision of the hearing examiner are: if the rights of the petitioner have been prejudiced because of administrative findings, inferences, conclusions or decisions that are in violation of constitutional or statutory provisions; made upon unlawful procedure; arbitrary and capricious or characterized by abuse of discretion or clearly unwarranted exercise of power; or unsupported by evidence that is not substantial and material in light of the entire record.

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- Based on information provided by the Comptroller of the Treasury, any fiscal impact resulting from refining the information considered during the review hearing of a property tax appeal is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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